



Press release

Contact:

Torben Jörgensen, President and CEO

Tel: +46 707 49 05 84, torben.jorgensen@eu.biotage.com

Biotage AB

Kungsgatan 76

SE-753 18 Uppsala

Tel+46 18 56 59 00

www.biotage.com

Uppsala January 22, 2009

Biotage takes yet another step in streamlining efforts – outsources all instrument production to contract manufacturers

Biotage has made the decision to transfer instrument production from its Charlottesville, VA factory in the U.S. to a contract manufacturer. Through this decision, the company takes yet another step to increase efficiency in business activities. Biotage expects this measure to enable substantial cost savings, a reduction in tied-up capital and increased flexibility.

Biotage currently has two internal production units. The majority of the consumables Biotage offers its customers are manufactured at the company's factory in Cardiff, Wales. The Charlottesville, VA factory manufactures instruments primarily within the Purification product segment as well as a small portion of consumables. The remaining part of its instrument production is outsourced to a subcontractor since previously.

"In recent years, we have pursued a successful undertaking to optimize our business activities. One important component of this effort is to streamline production. By moving production from Charlottesville, we achieve considerable efficiency gains and reduce susceptibility to changes in demand," says Torben Jörgensen, President and CEO of Biotage.

In conjunction with this relocation of instrument production, the Charlottesville consumables production will be moved to the Biotage factory in Cardiff, providing additional large-scale benefits. The transfer of production from Charlottesville will be implemented in stages and completion is estimated for the fourth quarter of 2009. This decision means that the factory will be closing and the company's U.S. workforce will decrease by approximately 50 employees.

About Biotage

Biotage is a global company active in life science research with strong technologies, a broad range of operations and a long-term view of the market. The company offers solutions, knowledge and experience in the area of medicinal chemistry. In 2005 business and products from the company Argonaut were acquired, further strengthening the product range in medicinal chemistry. The customers include the worlds top 30 pharma companies, the worlds top 20 biotech companies, and leading academic institutes. The company is headquartered in Uppsala and has subsidiaries in the U.S., Japan, UK, Germany and several other European countries. Biotage has 300 employees and had sales of SEK 496m in 2007. Biotage is listed on the OMX Nordic stock exchange. Website: www.biotage.com